



ERIC THAYER FOR THE NEW YORK TIMES

President Trump said Friday that officials at the F.B.I. and the Justice Department had “politicized the sacred investigative process.”

Stocks Plunge
As Boom Starts
To Look Shaky

By MATT PHILLIPS
Investors have spent much of the last year shrugging off geopolitical and economic risks, from the threat of nuclear conflict with North Korea to a potential trade war with China. Instead, they have focused on the strength of the United States economy, driven by banner corporate profits and President Trump’s push to lower taxes and reduce regulation. The optimism helped lift stock markets ever higher, extending the boom into its ninth year. Now, investors are suddenly skittish. On Friday, stocks tumbled by more than 2 percent, propelling the market to its worst week in two years.

The immediate catalyst was the jobs report, which showed the strong United States economy might finally be translating into rising wages for American workers — a sign that higher inflation could be around the corner. [Page B1.] But what is really worrying investors is that the fuel behind this stock market boom, namely cheap money from global central banks, may disappear sooner than they thought. In recent weeks, the shift in sentiment has played out across the world’s largest financial markets. As stocks have sold off, Treasury yields have surged. The dollar has slumped.

“It’s a legitimate concern, when inflation spikes up a little bit, that people should evaluate how is this going to affect profits and how is this going to affect the Fed,” said Jonathan Golub, chief United
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Flu Season Alarms as Aches and Misery Spread

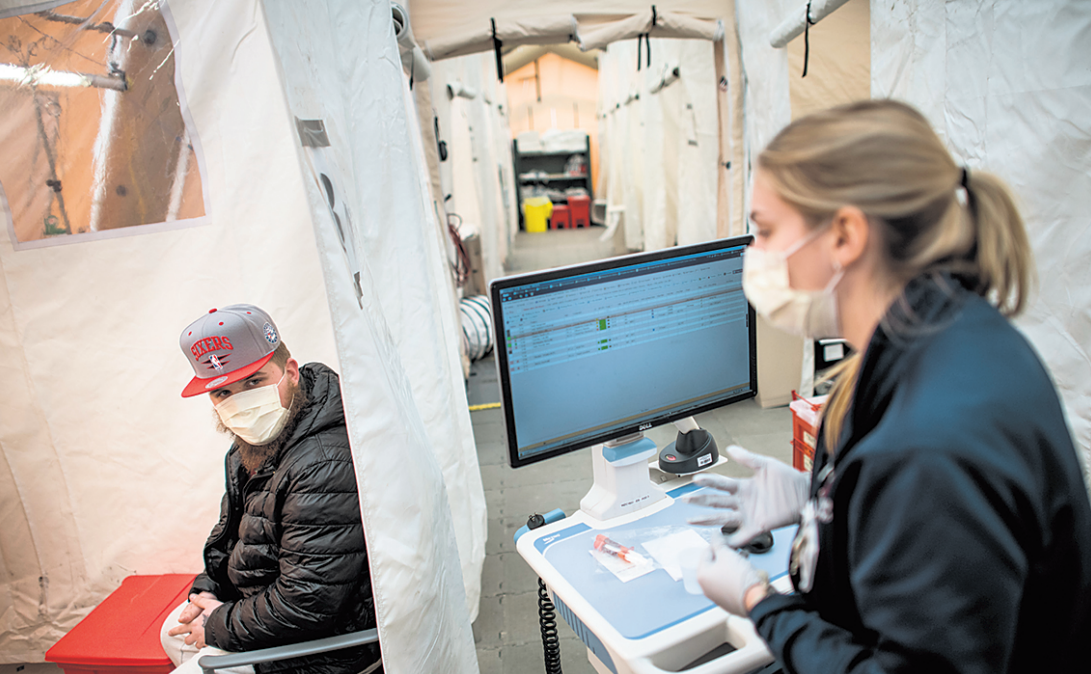
By DONALD G. McNEIL Jr.
ALLENTOWN, Pa. — By mid-January, the flu season at Lehigh Valley Hospital-Cedar Crest here in Allentown was bad enough to justify dragging out the “surge tent.” The Band Aid-colored structure in the parking lot — an inflatable military-style hospital ward a bit like a bouncy castle — is outfitted with cots, oxygen tanks and heart monitors. Sandwiched between the ambulance helipad and the E.R. doors, the tent is mostly used as a holding area for walk-in patients who need monitoring. The extra space lowers the risk of infections in the main waiting room when the coughing and sneezing is at its worst. Some 325 patients walked into the E.R. last Monday — “the

Infection Rates Rise —
Doctors Say It May
Yet Get Worse

record, as far as I can recall,” said Dr. Andrew C. Miller, who runs the emergency department. The hospital admitted 108 patients. “We thought this was peaking a week ago,” said Dr. Miller. “It hasn’t.” Thus far, he said, this has not been the worst flu season he’s seen, but this year’s patients seem sicker. It may yet get worse. The Centers for Disease Control and Prevention reported Friday that flu hospitalization rates across the country were the highest ever seen at this point in the season since tracking began in 2005.

The rates have already surpassed those of the 2014-15 season, when 710,000 Americans were hospitalized and 56,000 died. So far this year, 53 children have died; by the time the flu season ended in 2015, 148 children had died.

Infection rates are still rising, especially along the East Coast, where the flu arrived late. Hospitals are struggling. The population near Lehigh skews older — a lot of retirement homes sit in these rolling hills — and the hospital is rated one of the state’s top five, so ambulances often bring their sickest patients here, said Lindsay Houck, the emergency department’s nursing director. Normally, about a third of them need admission, she said, while hospitals nationally average
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JOSHUA BRIGHT FOR THE NEW YORK TIMES

In Allentown, Pa., a hospital was forced to handle overflow flu patients in a tent in the parking lot.

Criminal Justice Activist Quits Amid Sexual Misconduct Claims

By NIKITA STEWART
As Black Lives Matter was growing into a social movement, the killing of Eric Garner by the police on Staten Island and the harsh treatment of teenage inmates at the Rikers Island jail complex pushed New York activists into a national spotlight. One of them was Glenn E. Martin, an ex-convict who was sought out for his firsthand knowledge of

the dangers and hope found behind bars. In interviews and in speeches, he recounted being stabbed by fellow inmates as a teenager at Rikers and earning a college degree as an adult in an upstate prison while serving a sentence for armed robbery. In 2014, Mr. Martin had started a nonprofit advocacy group, JustLeadershipUSA, and over the next few years, he became a vocal proponent of closing Rikers,

where pervasive abuse by guards and persistent violence among inmates were drawing new attention to the need to reform the city’s jail system. In 2016, Mr. Martin received standing ovations as he accepted the Robert F. Kennedy Human Rights Award in Washington. As his reputation as a fundraiser and advocate grew, so, too, did talk that he was using his professional prominence to pursue sexual relationships with women

who were drawn to the criminal justice reform movement — and in some instances engaging in sexual misconduct. According to a statement last week from JLUSA, the organization conducted an investigation in November and found no misconduct by Mr. Martin. But then in December Mr. Martin quit, telling the board that his leaving was in the best interests of the organization
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G.O.P. MEMO LEADS
TO FRESH JOUSTING
ON RUSSIA INQUIRY

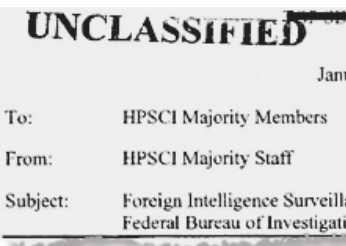
NEWS ANALYSIS
A Battle by Proxy in
a Wider War

By MARK MAZZETTI
WASHINGTON — The release of the memo mattered less than #releasethememo. After weeks of buildup, the three-and-a-half-page document about alleged F.B.I. abuses during the 2016 presidential campaign made public on Friday was broadly greeted with criticism, including by some Republicans. They said it cherry-picked information, made false assertions and was overly focused on an obscure, low-level Trump campaign adviser, Carter Page. It didn’t live up to the hype. But the campaign, captured in the hashtag #releasethememo, which was trending on Twitter for days, may have a far more significant impact than the memo’s contents. It was a choreographed effort by House Republicans and top White House officials to push a highly contentious theme — that the F.B.I. and the Justice Department abused their powers to spy on the Trump campaign, and relied on dodgy information from a former British spy paid by Democratic operatives.

What began as an ember more than two weeks ago was fanned into a blaze by conservative media titans, presidential tweets and Republican lawmakers urging people to use social media to pressure Congress to make the memo’s contents public. “I invite everybody to use the hashtag #releasethememo,” Representative Raúl Labrador, the Idaho Republican, said on Fox News during the campaign’s infancy, adding that Americans would be “shocked” when the memo was released. By Friday, it was obvious that the memo had become part of a proxy fight for the larger battle that the White House is now waging to discredit the Russia investigation led by Robert S. Mueller III, the special counsel. By promoting the idea that the Mueller inquiry was born from a corrupt and partisan process, his entire investigation can be tarred as a biased inquisition. Two hours after the memo’s release, the White House issued a statement saying the document “raises serious concerns about the integrity of decisions made at the highest levels of the Department of Justice and the F.B.I. to use the government’s most intrusive
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Alleges Bias but Fails
to Challenge Basis
of Investigation

This article is by Nicholas Fandos, Adam Goldman and Charlie Savage.
WASHINGTON — House Republicans released a politically charged memo on Friday that accused F.B.I. and Justice Department leaders of abusing their surveillance powers to spy on a former Trump campaign adviser suspected of being an agent of Russia. The memo alarmed national security officials and outraged Democrats, who accused the Republicans of misrepresenting sensitive government information through omissions and inaccuracies. President Trump declassified it over the objections of the F.B.I., which had expressed “grave concerns”



over its accuracy in a rare public break from the White House. The three-and-a-half-page memo, written by Republican congressional aides, criticized information used by law enforcement officials in their application for a warrant to wiretap the former campaign adviser, Carter Page, and named the senior F.B.I. and Justice Department officials who approved the highly classified application. But it fell well short of making the case promised by some Republicans: that the evidence it contained would cast doubt on the origins of the Russia investigation and possibly undermine the inquiry, which has been taken over by a special counsel, Robert S. Mueller III. The Page warrant is just one aspect of the broader investigation. Instead, the document confirmed that contacts between a former Trump foreign policy adviser, George Papadopoulos, and Russian intermediaries were a primary factor in the opening of the investigation in July 2016. The memo was outlined in news reports in recent days as Republicans pushed for its release. Several details show that it reflects a
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Fed Shackles Wells Fargo Growth
With Severe Penalties for Abuses

This article is by Emily Flitter, Binyamin Appelbaum and Stacy Cowley.
The Federal Reserve on Friday imposed unusually harsh penalties on Wells Fargo, punishing it for years of misconduct and barring it from future growth until the bank fixes its problems. The central bank blasted Wells Fargo’s board for failing to oversee the bank, and it announced that the company would replace four members of its 16-person board by the end of the year. The move, taking place on Janet L. Yellen’s last working day as the central bank’s chairwoman, is all the more extraordinary because it comes at a time when federal banking regulators appointed by President Trump are working vigorously to relax rules that were

imposed in the years following the financial crisis. The Fed’s punishment, a forceful intervention by the government into the affairs of a large company, means that one of the country’s largest and most powerful financial institutions will be unable to keep pace with its fast-growing rivals. The decision by the Fed, one of the San Francisco-based bank’s main regulators, follows revelations over the last two years that Wells Fargo had deceived its customers by opening dummy accounts in their names and forcing some to take out unnecessary auto insurance. “Until the firm makes sufficient improvements, it will be restricted from growing any larger
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Putin, a Hug and a New Star
At a campaign stop, Russia’s president embraced a burly factory worker, who became an instant celebrity. PAGE A6

Israel Stirs Unease on Migrants
A government plan to deport Africans spawns a protest invoking Jewish values and Holocaust lessons. PAGE A4

NATIONAL A8-14
Judge Faces Recall Campaign
The case of a Stanford swimmer whose six-month sentence for sexual assault brought outrage is at the center of a fresh controversy. PAGE A8

Humane Society Head Resigns
Wayne Paccelle quit after sexual harassment allegations brought an uprising from staff and donors. PAGE A10

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Subway Service With a Smile
M.T.A. workers are being transformed into customer service ambassadors to improve subway ambience. PAGE A15



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Bringing Home the Bacon
To price-check and taste-test a Super Bowl snack, we used ingredients from Whole Foods and Walmart. PAGE B2

When Business Stinks
Some Western companies have thrived in China, but cultural factors spell failure for items like deodorant. PAGE B1

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No Tourniquet Needed
Some 1,250 gallons of fake blood will flood the Metropolitan Opera’s stage for the production of Wagner’s “Parsifal,” which begins on Monday. PAGE C5

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Hut! Hut! Hut! What?
The distinctive command of football, no matter how complex it gets, is not Now! or Go! It is Hut! But even players are not sure why. PAGE D1

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Bret Stephens PAGE A19



THIS WEEKEND
Sunday Magazine
The enthusiasts’ guide to the Winter Olympics, from the rare event that anyone can imagine doing to one that puts the body through a physics test.

